

EXHIBIT 1

INTRODUCTION

Respondent Gopal Chaturvedi is a member of the Department of Consumer Affairs, Respiratory Care Examining Committee. He assumed office on July 23, 2001. As a member of the Respiratory Care Examining Committee (the “Committee”), Respondent is a designated employee of the Committee, as defined in Section 82019, subdivision (c) of the Political Reform Act (the “Act”),¹ and in the conflict of interest code for the Department of Consumer Affairs (the “Department”).

Under the Department’s conflict of interest code, each designated employee is required to file a statement of economic interests within 30 days of assuming office, disclosing the reportable economic interests that he or she held during the 12 months prior to assuming office.

In this matter, Respondent failed to file an assuming office statement of economic interests by the August 22, 2001 due date.

For the purposes of this Stipulation, Respondent’s violation is stated as follows:

As a designated employee of the Department of Consumer Affairs, Gopal Chaturvedi failed to file an assuming office statement of economic interests by August 22, 2001, in violation of Section 87300 of the Government Code.

SUMMARY OF THE LAW

An express purpose of the Act, as set forth in Section 81002, subdivision (c), is to ensure that the assets and income of public officials, which may be materially affected by their official actions, be disclosed, so that conflicts of interest may be avoided.

In furtherance of this purpose, Section 87300 requires every agency to adopt and promulgate a conflict of interest code. Section 87302, subdivision (a) provides that an agency’s conflict of interest code must specifically designate the employees of the agency who are required to file statements of economic interests disclosing their reportable investments, business positions, interests in real property, and sources of income. Under Section 82019, subdivision (c), and Section 87302, subdivision (a), the individuals who are to be designated in an agency’s conflict of interest code are the officers, employees, members, and consultants of the agency, whose position with the agency entails making, or participating in making,

¹ The Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18109 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

governmental decisions that may have a reasonably foreseeable material effect on one or more of the individual's economic interests.

Section 87302, subdivision (b) provides that an agency's conflict of interest code must require every new designated employee to file an assuming office statement of economic interests within 30 days of assuming office, disclosing investments, business positions, and interests in real property held on, and income received during the 12 months before, the date of assuming office.

Under the provisions of the Department's conflict of interest code, each designated employee must file his or her assuming office statement of economic interests with the Department, which shall retain a copy of the statement and forward the original to the Fair Political Practices Commission (the "FPPC"), which has been designated in the Department's conflict of interest code as the filing officer for the Department.

Under Section 87300, the requirements of an agency's conflict of interest code have the force of law, and any violation of those requirements is deemed a violation of the Act.

SUMMARY OF THE FACTS

Respondent Gopal Chaturvedi assumed office as a member of the Department of Consumer Affairs, Respiratory Care Examination Committee on July 23, 2001. As a member of the Committee, Respondent is a designated employee of the Department, and was therefore required to file an assuming office statement of economic interests by August 22, 2001.

Respondent failed to file an assuming office statement of economic interests by the August 22, 2001 due date, in violation of Section 87300.

On August 30, 2001, Emily Bowden of the SEI unit of the FPPC sent a letter to Respondent, informing him that he was required to file an assuming office statement of economic interests within 30 days of assuming office on July 23, 2001, and asking him to file the now already overdue statement within the next 30 days.

When Respondent did not file the assuming office statement as requested, on October 24, 2001, Ms. Bowden sent a second letter to Respondent, informing him that his assuming office statement of economic interests, that was due by August 22, 2001, still had not been received, and asking him to file the statement within 30 days.

When Respondent did not file the overdue statement in response to the second letter, on November 29, 2001, Ms. Bowden sent a third letter to Respondent, informing him that his assuming office statement of economic interests, that was due on August 22, 2001, still had not been received. The letter further advised Respondent that his failure to file the statement would be referred to the Enforcement Division of the FPPC, if the delinquent statement was not received by December 9, 2001. In spite of these notices, Respondent still failed to file his assuming office statement of economic interests. The matter was then referred to the Enforcement Division.

On January 15, 2002, Investigator Dan Schek of the Enforcement Division contacted Respondent by telephone, reminding him that his assuming office statement of economic interests was past due, and telling him to file the statement immediately.

Respondent finally filed an assuming office statement of economic interests on January 17, 2002.

CONCLUSION

This matter consists of one count of violating Section 87300, which carries a maximum administrative penalty of Five Thousand Dollars (\$5,000). Under the SEI Expedited Procedures adopted by the Commission in July 1999, the approved administrative penalty for an individual who files a delinquent statement of economic interests within 30 days of being contacted by an Enforcement Division investigator, and agrees to an early resolution of the matter, is between Two Hundred and Three Hundred Dollars (\$200-\$300). However, in this matter, while Respondent filed his delinquent assuming office statement of economic interests within 30 days of being contacted by the Enforcement Division investigator, he declined to reach an early resolution of the matter as specified under the SEI Expedited Procedures. Accordingly, the matter is being resolved outside of that program.

The administrative penalty for statement of economic interests filing violations resolved outside the SEI expedited Procedures has historically been established on a case-by-case basis, depending on the specific mix of aggravating and mitigating factors present. As Respondent filed his delinquent assuming office statement within two days of being contacted by the Enforcement Division investigator, but did not agree to resolve the case until after being served with an accusation, an administrative penalty of Six Hundred Dollars (\$600), double the penalty imposed under the expedited program, is justified.